

This group has considerable expertise in this matter. I hope the Minister and the committee which will look at cut-backs and will study that report thoroughly.

The Government's review of social programs should not only review the cost of programs but the conditions in which families are living in Canada. Most of us know that the cost of raising children has risen phenomenally. It is very difficult for families with several children to meet those costs today. Family allowances help in this regard.

The impact of financial stress on families with young children is very great. There are many single parents, particularly mothers raising children on their own, with very marginal incomes who go on welfare because of their children. They do not have any other basic security. If it were possible to have increased family benefits for those children, many single parents would be given the option to work, and to ensure that their children have the total family income which is needed.

I urge the Government to consider an increase in family allowances to help families stay together and to help marginal earners remain off welfare. This would ensure that the next generation has the nourishment and opportunity they need for healthy development.

I do not know how many Hon. Members realize that most family allowance cheques these days for families in the lower income group go toward basic food. In most cases those families also have to line up at food banks at the end of the month. This is disgraceful in Canada.

Finally, I remind the Government that true economic renewal and social justice require a fulfilment of the rights of all Canadians. The rights of Canadians cover many different areas; the right to a decent job, to adequate incomes for those who cannot work, to affordable housing which is being ignored by the Government, and to universal health care which should include more health promotion or prevention of illness. We need more, not less, post-secondary educational programs to help prepare our youth for a rapidly changing future, a future in which they have very little hope of obtaining employment.

Economic and social recovery must go hand in hand. The best way to maintain and improve social programs is to put people back to work. We will certainly be stressing job creation. It will save on unemployment insurance as well as increase Government income from taxes. A reform of our tax system, as I said earlier, is overdue and absolutely essential so that higher income Canadians pay a much fairer share of the cost of our universal programs. Reduced interest rates would also help.

● (1550)

Canadians, especially, Canadian women, will not tolerate a return to a pre-depression system which treats people as charity cases, dependent on food banks and private charity.

**Mr. Deputy Speaker:** Questions and comments.

**Mr. Blenkarn:** Mr. Speaker, I have a question for the Hon. Member. She spoke at length about the present family allow-

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ance system. I agree with her that it needs changing. Would she look at the fact that presently under the Income Tax Act there are four separate ways in our transfer system that we help families. The first is the deduction for children of \$710. Then there is a youth allowance as they become older. That deduction is worth more to those earning high incomes than to those earning small incomes. To a person with no taxable income, the deduction is worthless.

Second, there is the family allowance which she spoke about of roughly \$30 a month. In addition, there is the \$367 this year, rising to \$384 next year, for the child tax credit. I point out to her that the child tax credit, while income tested, is a lump sum payment. A lot of that lump sum payment winds up going to tax discounters.

Lastly, there is an allowance of \$2,000 for those who must use daycare. The \$2,000 allowance from taxable income is worth a great deal to someone in a 50 per cent bracket who sends their kids to private school, but not worth a darn to a woman who has no taxable income or a family with no taxable income.

Would she and her Party agree that this system of assistance to families with children should be totally reviewed so that we can ensure that the money is paid to those who need it and not to those who do not need it? Does she agree that we should look after the needy, not the greedy? Does she agree that rather than go after the family allowance program alone that we should go after all of these programs together to make sure that the money is channelled where it is needed most?

**Ms. Mitchell:** Mr. Speaker, my hon. friend who used to sit near me on this side of the House, and I have had discussions on this before. I agree with his analysis of the family benefit programs. Certainly the child tax deduction is very regressive, as is the daycare deduction. Both those programs benefit people who pay taxes. We certainly agree that they are regressive and that perhaps there needs to be a review of them.

On the child tax credit, I would also agree. The National Anti-Poverty Group has appealed to us on different occasions. Because poor families are desperate for that money, they cannot wait until the end of the year. Therefore, they often go to people who will buy the tax credit from them and charge them very unfair amounts.

Our concern is that in doing this review, and in possibly making changes to some of these programs, the family allowance program will suffer. That is why I stressed it particularly in my remarks. It is the basic program. It is the program that recognizes that children belong to all of us. I do not have any children, but I am delighted to pay my taxes to pay for your children and to have benefits that will go to all families, particularly to recognize the value of children.

We must also keep in mind that if we had a progressive tax system generally, this would automatically be taxed back. It is very nice for the wives of some of the gentlemen sitting in this House to get a cheque in their own name. For many of them it is the only cheque they get in their own name.